GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1358
ANSWERED ON:02.03.2001
PERMISSION TO KARNATAKA TO EXPORT SUGAR
R.L. JALAPPA

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Union Government have given permission to Karnataka to export sugar;

(b) if so, the details thereof;

(c) the estimated value of sugar stocks piled up in several sugar factories in Karnataka; and

(d) the action taken to clear the huge stocks and to allow export of more sugar from Karnataka?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (S SREENIVASA PRASAD)

(a) & (b) : Government have allowed export of 10 lakh tonnes of sugar from the country during the licensing year 2000-2001. No specific quantity has been allocated for export to any State Government. The exports of sugar are being undertaken by the sugar factories/traders under the Exim policy of the Government.

(c) The value of the stocks held by the sugar factories varies with the prices of freesale sugar in the open market and as such it is not possible to indicate the value of sugar stocks held by Karnataka sugar factories.

(d) In order to boost exports of sugar which can reduce the stocks, Government has taken the following measures:-

(i) The sugar meant for export has been exempted from the levy obligation. This exemption, which was initially available for a period of six months, commencing from 1st June, 2000, has been extended upto 31.3.2001.

(ii) It has been decided to treat the quantity exported for commercial exports as advance free sale release to be adjusted after a period of 12 months from the date of release.

(iii) It has also been decided that the levy exemption on the quantity of sugar meant for commercial exports, if it cannot be availed by the sugar factory out of 1999-2000 season`s production due to the completion of its levy obligation, may be availed by the concerned sugar factory from the production in the ensuing sugar season.

(iv) DEPB at the rate of 5% of the F.O.B. value of exports of sugar has been allowed.

In addition, higher releases of freesale sugar in the domestic market are being made.